This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 03 ROME 003671

SIPDIS

E.O. 12958: DECL: 10/31/2015

TAGS: EAID PREL BO KPAL ETRD IT EUN EAGER

SUBJECT: ITALIAN VIEWS ON NOVEMBER 7 EU FOREIGN MINISTERS'

MEETING

REF: A) ROME 3631 B) ROME 3631 C) ROME 3547 D) STATE 198361

Classified By: Classified by David D. Pearce, Acting Deputy Chief of Mission, for reasons 1.4. (b) and (d).

11. (C) Summary. Post delivered ref d points to MFA interlocutors during the week of October 31. The GOI supports the US position on Middle East, Balkans, and Avian Flu issues. Progress on WTO issues, however, will depend on the whether there is movement on issues of key importance to the GOI - particularly on geographic indicators. End Summary.

DOHA ROUND

- <u>¶</u>2. (SBU)
- 12. (SBU) Although manufactured goods and services make up 82% of Italian exports, the GOI supports the EU's proposals on agricultural market access, and is unlikely to play a prominent role in urging member states to give EU Trade Commissioner Mandelson more flexibility in the negotiations leading to December's WTO Ministerial. Italy's position is driven by the disproportionate weight agricultural interests (responsible for only six percent of Italy's exports on its current account) have in Italy's governing coalition. Senior officials at the Ministries of Trade, Agriculture and Foreign Affairs have stated that, in the face of elections scheduled for April, the GOI's position on Doha is heavily influenced by political, not economic, considerations. The GOI supports the EU's call for "parallelism" in the negotiations and is concerned about the lack of progress in negotiations for improved market access, both for manufactured goods and services.
- ¶3. (SBU) Our assessment is that in order for the GOI to become more forward leaning on agricultural access, movement is needed on three issues in the Round that are of particular concern to the GOI. These are: (i) institutionalization of geographical indicators (GIs), (ii) flexibility on "sensitive goods" lists, and (iii) progress in NAMA negotiations aimed at increasing access to markets in developing countries for Italian manufactured goods and services. Our interlocutors said that "gains" in these areas will help the GOI sell "losses" in the agricultural sector to an otherwise skeptical electorate.

IRAQ

14. (C) As a major troop-contributing country, the GOI has a significant stake in a successful outcome of the Iraqi democratic process. Repeated statements from high-level GOI officials and messages communicated to post indicate that the GOI will continue to play a leadership role in Iraq (ref b). GOI leaders have also made plain that any adjustments that might be contemplated in future force levels would be closely coordinated with both the government of Iraq and other troop contributors. Additionally, despite having strong commercial ties with Iran, the GOI did not hesitate to deliver strong messages condemning the Iranian President's recent comments about Israel (ref a).

AVIAN FLU

15. (C) The GOI takes the threat of Avian flu seriously. The GOI intends to participate in the International Partnership for Avian and Pandemic Influenza (IPAPI) and has committed 5.4 million Euros for vaccines, 1 million euros for stockpiling retrovirals (Tamiflu), and an additional 1 million euros for surveillance measures. The GOI will attend the WHO conference in November, at which time Italy will announce a pledge. The GOI is pushing legislation, expected to be enacted soon, that would increase surveillance and education efforts, create a national center to coordinate GOI responses to animal diseases, register poultry farms, establish guidelines for containing commercial flocks of poultry to avoid contact with wild birds, and begin regular testing of animals. Post believes the GOI is both committed and capable of sharing information with U.S. and international bodies on this threat.

16. (C) Acting Office Director for the Eastern Mediterranean, Luca Sorgi, said his office had brought the points to the attention of DG for the Middle East and Mediterranean Riccardo Sessa (who had just returned from a trip to the Palestinian territories and Israel with FM Fini), highlighting the two key points: 1) non-engagement with Syria; and 2) canceling Syria's invitation to the upcoming 10th Anniversary Summit of the Barcelona Process. Sorgi said that, on the first point, Italy has no planned visits to Syria or by Syrian officials to Italy. On the second point, he said that the UK, as holder of the EU Presidency, and Spain, as host of the Barcelona Summit, were handling the invitations, and that Italy was not involved in the process. PolOff pushed back saying that Italy could speak up if it wanted. Sorgi said that the November 11 meeting of the COMEP (EU working group on Middle East issues) presented an opportunity to discuss the issue, if the UK decided to include it in the agenda, which, to his knowledge, it had not yet done.

ICTY COOPERATION

(C) During a recent visit to Rome by DAS Rosemary DiCarlo, the Italians confirmed in multilateral and bilateral meetings that they view ICTY cooperation as a firm requirement for Euro-Atlantic integration by Balkan nations. Amb. Laura Mirachian, the Italian candidate for High Representative in Bosnia, noted that ICTY cooperation is one of the four highest priorities for Italian initiatives in the region.

KOSOVO

During the recent Contact Group meetings and related bilateral discussions with USG officials, the Italians stressed that international engagement continues to be necessary in Kosovo. For their part, the Italians plan to maintain a sizable military presence in Kosovo and have lobbied for a larger policy voice in the Balkans.

BELARUS

19. (C) The GOI remains committed to working toward a peaceful transition of power in Belarus. They support bilateral civic organizations and opposition figures. They support the EU visa ban and have joined other EU countries in condemning previous elections as not meeting international standards for free and fair voting. The GOI will coordinate with the EU and OSCE to provide election monitoring in the upcoming election cycle. On a bilateral basis, the GOI has essentially frozen the bilateral relationship with Belarus.

MEPP

(ref c)

110. (C) MEPP points were delivered separately to Acting Office Director for the Eastern Mediterranean, Luca Sorgi. Sorgi said, as with the recent Bush - Abu Mazen meeting, he was struck by the absence of any mention of Hamas. Palestinian elections only a few months away, he said, time is getting short and Italy would like to know whether the US position towards Hamas is changing. Within the EU, he said, some countries are already asking what will happen if there is a Hamas minister, and he expects that the EU will specifically address the Hamas issue in more detail in a GAERC meeting on November 21. (Note: Italy successfully pushed the EU to designate Hamas as a terrorist organization during its 2003 EU Presidency. Sorgi's comments indicate that some EU members may be asking the EU to rethink its policy toward Hamas. End note.)

UN MILLENNIUM DEVELOPMENT SUMMIT

111. (U) Italy fully supports the outcomes of the Millennium Development Summit and is committed to defining a strategy to In an October reach the Millennium Development Goals (MDGs). 27 speech, Under Secretary Mantica stressed good governance, recipient country ownership of development projects, rural development, trade and investment, microcredit, and education as key to reaching the MDGs. He also underlined the as key to reaching the MDGS. He also underlined the importance of the private sector in contributing to sustainable development. Italy has donated 4 million USD to the "Education for All" initiative of the World Bank; committed 180 million Euro to the Global Fight Against AIDS and malaria and tuberculosis initiatives, with another 130 million Euros earmarked for 2006; canceled 2.7 billion USD in debt and is prepared to cancel another 4.5 billion USD when additional countries reach the "completion point"; supported the proposal for an International Finance Facility; and is committing 600 million USD over the next 20 years to finance a pilot program for production and distribution of vaccines. Given Italy's poor economic performance and rising deficit, Mantica noted that it will be a challenge to increase official development assistance (ODA) to 0.7% of GDP. Italy aims to increase its ODA to 0.51% of GDP by 2010. SPOGLI